

AN
ESSAY

Towards deciding the
Important Question,

Whether it be
A National Advantage to BRITAIN
TO
Insure the SHIPS of her Enemies?

Addressed to the
RIGHT HONORABLE
HENRY PELHAM, Esq;

By the AUTHOR of a LETTER from a
BYSTANDER.

*Parve, nec invideo, ——— Liber ibis in urbem,
Hui mihi! ——— Ovid.*

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TO the RIGHT HONORABLE

Henry Pelham, Esq;

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HAVE the Honor to lay this ESSAY at your Feet, in public Testimony of my Gratitude, not only as a Subject in general of the *British* Dominions, but as particularly indebted for distinguishing Acts of your Favor. Acknowledgments of this Sort, I am sensible, are usually fresh Trespasses; And that, whilst I seem to be offering my Gratitude, I am serving myself of new Advantages: ---- For if ever the prefixing of a *Great* and *Favorite* Name hath availed to a Work, This

may justly presume on Success, under your Auspices; And hath assured to itself *Dignity* from *your Patronage*, and *public Esteem* from *your Approbation*.

Your superior Skill in the Commerce of your Country, fixes every Essay of this Sort under your Dominion. --- For though your *high Station* gives you a *Power*, you derive from your *Abilities* an *Authority* much greater, over these Subjects. A Work, therefore, which pretends to bring new Light upon *Objects of Trade*, and to rectify the *Course of Business*, is justly to pay its Homage to You; And it is from your Decision upon it, that the World will be instructed to form their Sentiments. --- For so just is the public Deference, that it would unanimously have constituted YOU the *Judge*, if you had not condescended to be the *Patron*; --- And it is thus happy for me, in this Address, that what my fondest *Ambition* had vowed, the strictest *Propriety* hath directed.

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'Tis yours, Sir, to direct the Finances of this Empire. --- Nobility of Descent, Influence in the Senate, superior Knowledge, and, what throws a *Lustre* upon all, the *Favor* of your PRINCE, have called You to this Station. --- These are shining Advantages, and they have also been eminently possessed by many of your Predecessors. --- But what CHARM have You found to conciliate adverse Parties, and reconcile the Claims of haughty Competitors! Hereditary Resentments, and long Expectations of sweet Revenge, have all been relinquished by your Mediation; And the SENATE hath almost forgotten the *Voice* of *Envy* and *Discord*.

Our *Ancestors* laboured under *Civil Dissentions*, and the Force of the State was rent by *personal Oppositions*, and *rival Attacks*: They wanted ONE *Superior* amongst them, as the common Center of *Union*, whose *Decency* and *Dignity* attracted universal Esteem, and in whose Power they could

could all concur. --- Happy for that Age, where this PERFECTION of CHARACTER shines ; To whose Sentiments all have deferred their own, and unanimously confide in his clear *Probity* of Heart, and unbiaſſed *Rectitude* of Judgment.

This hath not been more *glorious* for You, than ſerviceable to your PRINCE, and COUNTRY. The PROTESTANT SUCCESSION, our great PALLADIUM, acquired, from this general Attachment to You, the firmeſt Security. Relying upon your Sincerity, and Steadineſs, and moved by a dutiful and upright Zeal, MANY of the NOBLEST throughout the Kingdom engaged in the immediate Service of the Crown, jointly baniſhing their Diſguſts, and deſpiſing all falſe and mean Imputations: In the *Hour* of *Danger* they were found faithful, and exerted their important Force for the HOUSE of HANOVER, and the *Liberties* of their *Country*.

But there is ONE, whoſe Merit in this *function* was the *Rival* of Yours :
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The *Benevolence* of his Nature, and his untainted *Integrity*, were of great Efficacy in cementing the *Union*. ---- It would be new, that in any Instance of Zeal for the HOUSE of HANOVER, the DUKE of NEWCASTLE should not be of the foremost: In the Time of Anxiety his *active Watch*, and *undaunted Courage*, stood forth, as our public *Guard*: His powerful Influence then eminently appeared throughout the Nation; And his *riper Years* well supported the Cause, which his *early Youth* had gloriously vindicated.

This powerful and new *Coalition* of the noblest Families in Concert with YOUR HOUSE, gave a general Confidence to the Friends of *Liberty*. --- REBELLION saw the Efficacy of it, to its Confusion; And where it falsely had flattered itself with Neutrality, found the warmest Friends to the HOUSE of BRUNSWIC: Hence despairing, it turned its Course, and shrunk abashed to the darkest Corner of the Land. --- Your Merit in this E-

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vent will be ever recorded by your grateful Country : For the *Junction*, so important at this Crisis, which was cordially made with *You*, would not have been obtained by *other Ministers*. --- Thus, instead of being torn by *Civil Divisions*, our *Enemies*, to their Astonishment, found us an *united People* ; Nor could the PUBLIC CREDIT of *Britain* be shaken, for *YOU* was at the Helm. --- The *Rebels* then skulked in the *North*, till they obtained their Reward from the ILLUSTRIOUS YOUTH, sent forth for their *Scourge* by our ROYAL HERO ; Who, as the *Soul* of the *State*, then animated his whole *People*.

Extensive *Authority* is now delegated to your Care, from the *Favor* of your *Prince*, and from the united *public Affection* ; And it hath not been delegated, but for great Purposes : It would never have been committed, in such Plenitude, to the Direction of *ONE*, for common, or trivial Ends.---
Atchievements are expected at your
Hands,

Hands; worthy of your Power. --- You have advanced far in ABOLISHING our PARTY DISTINCTIONS ; --- Pursue the important Task ; --- Continue your *Benevolence* to All equitably, and proceed to *enlarge* the *Pale*. --- You have the Body of the Great and the Good on your Side throughout the Nation : Their Wishes and Prayers attend your Progress; And You have already outstripped their fondest Hopes. --- It is an Object the nearest to your own Heart, and the most worthy of your Power ; And will be the Completion of all your Glory.

There are other FIELDS, which have long been *ripe*, and seem to be reserved for *your Sickle*. --- The REGULATION and ABRIDGEMENT of the BODY of our LAWS; -- The DISCOVERY and JUST APPLICATION of the Revenues of CORPORATIONS, HOSPITALS, and SCHOOLS, throughout the Kingdom, all wait to be gathered to your *full Sheafe*. -- Nor let the NURSERIES of LEARNING still bewail the *Public Neglect*.

Neglect. The *Almæ Matres* sue to your *Piety*. Be it yours; to redress their Wrongs; to vindicate our *native GENIUS* from *illiberal Statutes* and *narrow Exercises*, and to *unveil* the Charms of *Polite Education*. --- Thus the SCIENCES and ARTS led forth by *your Hand*, in an amiable Dress, shall strew their FLOWERS on the *Land* of LIBERTY. --- Our YOUTH shall then seek no Refinement *abroad*, but owe the highest to their own Colleges *at home*: Other Nations shall come to *draw* at our SPRINGS, and find the SEATS of the MUSES in *Your* Britain.

S I R,

Your most obliged,

And most obedient,

Bury-Street,
St. James's, London,
Nov. 14, 1747.

Faithful Servant,

CORBYN MORRIS.



THE P R E F A C E.



I is now about three Months, since I communicated to several Gentlemen of my Acquaintance, and to others whose Rank and Abilities demanded a Deference, an Essay towards illustrating the Science of Insurance. Of which the first Part consisted chiefly of Mathematical Computations; but the latter Part entered upon the public Question, whether right Policy permitted us to insure the Ships of our Enemies.

An Attention, which hath since arisen to this Subject, hath seemed to demand from me the most careful Examination of what I have delivered; and having therefore, in Respect to the Public, more fully considered it, I beg Leave to offer this further Review of the Question; in which I have preserved, what I judged fit of the former Essay, and added many new and extensive Remarks in Objection to this Practice. — If any Gentleman, who shall differ from my Sentiments, will please to communicate his Thoughts to the Public, it may be of Use to the clearer Decision of a Point of so great Natio-

THE PREFACE.

nal Importance : And if he shall please to take Notice of this Work, I have only to beg, that he will not state any Arguments, as having been unanswered, without producing such Answers as they have received. And next, that he will quote my own Words for any Interpretation he shall put upon my Sentiments.

The former Mathematical Part of the Essay before mentioned, I propose also shortly to publish, augmented and amended; but this Part having required more immediate Dispatch, for several Reasons, hath therefore the Preference. — As to the rest, if any Expression I have used, shall be thought to carry Acrimony with it, I beg Leave to declare, that it has been far from my Intention; and that it is the Practice, not Persons, I have had in View throughout this Discussion. I have the highest Honor and Esteem for many Gentlemen in Business of a contrary Opinion upon this Subject; and am fully convinced of their upright public Intentions. Nor can any one more highly esteem, than myself, the National Benefits of Insurance, when it is rightly directed; from whence the Perversion of it, when it shall be proved to be such, appears to me of the greater Detriment. — And thus, wishing that the TRUTH, on whatsoever Side it shall lie, may be clearly discovered, I respectfully resign myself to the candid and intelligent Reader.

C. M.

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INSURANCES having been instituted for the Security of Commerce, for rescuing the Property of the Merchant from a State of Uncertainty, and for supporting and extending his Credit; And having been experienced to be excellently adapted to these Ends, it hath been doubted, whether right Policy permitted us to assist our Enemies towards obtaining this great Advantage: But many Gentlemen of very eminent and allowed Abilities and Experience in Commerce having publicly appeared Advocates for our Insurance of the *French* Navigation and Trade, the Point was almost resigned to their Opinion: — However the high national Importance of the Question demanding a free and ample Discussion, it hath been thought proper to recall it to the Bar of the Public, and to submit to their impar-

impartial View the following Scrutiny into the Merits of this Subject.

The Question is, Whether it be a national Advantage to Britain to insure the Ships of her Enemies.

The first Argument produced in Favour of this Practice, is, *That we hereby heavily tax the French Trade, and draw to ourselves a certain prodigious Benefit, to the Amount of the whole Premium.* To which, preparatory to an Answer, I beg leave to observe, That every Ship in her Voyage being exposed to the Hazard of Captors and Shipwrecks, the Amount of this Hazard, estimated before the Voyage, is to be determined by the Proportion which the unsuccessful Ships have been found, or are allowed, to bear, to the whole Number of Ships which have attempted the same Voyage in the same Circumstances. Thus suppose the unsuccessful Ships to have been *one* out of *ten*, upon a Medium, in any particular Voyage, it is then evident that the Amount of the lost, or defective Part, may be estimated to be $\frac{1}{10}$ th of the whole, or 10 per Cent of the Sum insured, upon a fair Computation. Upon Receipt of which defective Part, or of $\frac{1}{10}$ th of the Value of a Cargoe, depending upon this Voyage, any Person might undertake, without Advantage or Disadvantage, to insure that Cargoe from all Loss. But Insurers, who give their Time and Attention to this Business, may justly expect some Advantage:

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It is therefore reasonable for them, when they insure any Cargoe, to receive some *Profit*, over and above the real Amount of the *defective Part*, otherwise they would have no Inducement to follow the Business. And these two, the *defective Part* of the Cargoe, and the *Insurers Profit*, both together constitute the *Premium*.

This being premised, It is to be replied in Answer to the foregoing Argument, that as the *Premium* consists of the *defective Part* of the Cargoe, and of the *Insurers Profit* for his Trouble; this last Part, or the *Profit* of the Insurer, is the whole which is hereby gained to the Nation: The remaining Part of the *Premium*, or the real Value of the Loss upon the Cargoe, according to a just Estimation, being otherwise due to our Men of War and Privateers; and which would be due to them upon a fair Computation of the Value of their Captures, or of the Loss of the *French*, if there was no Insurance. — This Loss, which the *French Commerce* is subject to, is certainly an heavy Burthen, or Tax upon it: But this Tax arises from the *British Captors*. — The Insurers of *Britain* doe not aggravate the Tax or Loss, except in the Profit allowed for their Trouble: In return for which Profit, they restrain the Loss upon every Cargoe insur'd, to the single Amount of the *defective Part*; and intercept the Hazard from overshadowing, as it would otherwise do, the whole *French Commerce*.

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It is indeed ridiculous to imagine, according to this Argument, that the *French* would voluntarily tax their Commerce, and pay large Premia to the *British* Insurers, without finding their own Advantage in it, upon the Balance of the Account.—The *French* are not liberal for nothing: And all which it can be pretended we gain by these Insurances, is, not the whole Premium, but the *Profit* in the Premium, over and above the *defective* Part of the Cargo.

However it will still probably be urged, that, *although our Gain by insuring the French Ships, be no more than the Profit in the Premium, yet still this may be a considerable public Advantage upon the whole, and ought not to be rejected.*

To which it is to be answered, That this *Profit* is reduced very low by the Multitude of our Rival Insurers.— —It is not estimated, that our Insurers have gain'd clear to themselves, upon the Balance of their Accounts, more than 1 *per Cent.* of the Sum insured.—And they will scarce venture to assert, that their Gain in general hath amounted to so much upon *French* Insurances; or that they would refuse to follow the Business, for such a *constant certain Profit* at a Medium.—There are many *British* Insurers, who in the Course of a Year, guaranty or insure *fifty thousand Pounds* and upwards; of which perhaps $\frac{1}{3}$ d Part, or somewhat more, may be continually depending. Which Insurers would be well

well content to receive 1 *per Cent* upon the whole, or to find at the Foot of their *annual Account*, delivered by their Office-keeper, a constant clear Balance of *five hundred Pounds* in their Favor.

It is here proper to be known, in order to determine the Amount of the *whole Profit* of these Insurances, that the Office-keeper, or Broker, who negotiates the Bargain, receives, as his own Perquisite, 5 *per Cent* of the Premium; which Perquisite is not payed by the *French*, but by our own Insurers: And it may happen, that this 5 *per Cent* of the Premium may entirely exhaust the Insurers Profit. This will be, if the Premium upon an Average be 20 *per Cent*, and the whole Profit 1 *per Cent*, of the Sum insured. For in this Case, the Office-keeper deducting 5 *per Cent*, or $\frac{1}{20}$ th Part of the Premium for his own Perquisite, will deduct the whole Profit, and leave no Advantage to the Insurer. — If the Premium be more than 20 *per Cent*, and the whole Profit be still only 1 *per Cent* of the Sum insured, the Office-keeper will obtain more than the whole Profit, and the Insurer will be upon the whole a Loser. And whether it hath not been the Case in real Practice, that the Office-keepers have obtain'd the whole, or the greatest Part of the Profit, upon the *high* Insurances; that is, upon the *French Ships*, is left to our own Insurers to consider. At the same Time the Advantage in either Case, whether the Profit be made by

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the Insurer, or Office-keeper, is equal to this Nation.

However, let it be admitted that the clear Gain of our Insurers alone upon *French Ships* hath been 1 *per Cent*, of the Sum insured, and that the Premium on these Ships at an Average hath been 20 *per Cent*. For though it hath sometimes been higher at particular Junctures, yet it hath generally been lower ; And the greatest Part of the Business upon these Ships, according to my Information, hath been transacted under 20 *per Cent*. — In order then to determine the Amount of our National Gain by these Insurances. — Since the Premium is 20 *per Cent*, the Office-keeper's Perquisite in this Case will be 1 *per Cent* of the Sum insured, and the Insurer's own Profit also is 1 *per Cent*, therefore our *whole Profit* in the Premium is 2 *per Cent*, and the Remainder, or the *defective Part* of the Cargo, is 18 *per Cent*. Therefore upon *one Million Sterling* of *French Property* insured, the whole Amount of our National Gain will be no more than *twenty Thousand Pounds* ; — which is no prodigious public Acquisition.

If it be still imagin'd, from the Struggle of the Insurers and Brokers, that this Sum must be less than the whole Amount of their Gain, let it be considered, that *twenty Thousand Pounds* annually divided amongst *one hundred Persons*, will yield no less than *two hundred Pounds* to each ; which is a very valuable Article to the Persons concerned, as it is obtained
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n the Manner of Commission-Money, with little Trouble, and without advancing any Money of their own upon the Occasion. — For if it be supposed that our Insurers advance a Stock of their own to support the Business, they ought certainly then to make larger Gains, though not for their *Profit* in the Premium, but for the *Interest* of the Money they advance. — At the same Time this would prove the Practice of insuring our Enemies to be excessively the more pernicious to this Nation, as expending our own Money and Credit, and what should flow in our own Circulation and Trade, for the Support of our Enemies.

But to extend the Computation. — If upon a Medium the constant clear Profit to the Insurer alone be supposed to be any different Part, as $1-\frac{1}{4}$ per Cent, and the Premium also upon *French Ships* at an Average be 21 per Cent of the Sum insured, the whole Profit gain'd by this Nation will very little exceed the foregoing Amount: For the Insurer's Profit being $1-\frac{1}{20}$ per Cent, and the Amount of the Office-keeper's Perquisite being $1\frac{1}{20}$ per Cent of the Sum insured, the Total is $2-\frac{6}{20}$ l. upon every hundred Pounds which is insured; and this upon one Million Sterling of *French Property* insured here, will amount to no more than 23000 l. which is the whole National Gain we should annually make by these Insurances according to this Estimation: — Altho' I am convinced that I have here stated too

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high, both the *Insurers Profit*, and the *middle Rate* of the *Premia*.

The whole Sum which we gain by these Insurances appears thus to be very inconsiderable; and the Loss of it, supposing it to be attended with no Advantage in Return, need not exact from the Public in general, inconsolable Sighs and Compunctions. — But there is another Argument urged in their Favor, which is, *That these Insurances have been proved by Experience to be advantageous, from the continual Increase of the Number of Insurers, which can only have arisen from their clear Knowledge of the Profit of the Business.*

To which I answer, First, that the continued Pursuit of any Business by a great Number of Persons is not an absolute Proof, that this Business is, upon the whole, advantageous. — For which I need only produce *Gaming*, which hath always had numerous Votaries; and where after a long Series of Losses, the fond unreasonable Hopes of future Advantage still excites the Pursuit.

Secondly, If *our Eagerness* to insure the *French*, proves the Business advantageous to this Nation, by the same Rule it may be proved an Advantage to *France*, from the *Eagerness* of the *French* to be insured in *England*. — It may here be thought, that we may *both* find our Advantage in these Insurances: But this cannot be, for we are Competitors in Commerce, and their Advantage is our Loss,
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and reversely. --- Therefore this Argument proves *two Things* to subsist *both* at the same Time, which cannot exist together: --- And therefore it is invalid,

Thirdly, that the Insurance of *French Ships* may be profitable to our Insurers, is not denied: --- But this is not the Question, which is, *whether it be upon the whole a national Advantage to insure our Enemies.* --- There are many Branches of Business which are profitable to the particular Merchants concerned, and yet very detrimental to the Public. --- I am aware, it may be alledged, that this Business differs from the *Importation* of foreign Luxuries, for which Money is sent out of the Nation; whereas these Insurances draw Money hither from our Enemies. — This is to be admitted, but still the little Sum, which this Profit amounts to, may not be comparable to the prodigious extensive Advantages we lose by this Practice. --- The *Owlers* or *Exporters* of our *Wool* to *France* find their Business to be profitable to themselves, and may urge that they draw Money thereby into the Nation: But it is evident, that *Britain* receives by this fraudulent Commerce, much less than the *French* gain, and consequently much less than we should otherwise receive, if the *French* had not our *Wool* in Support of their own Manufactures. — The Case is exactly the same in our Insurances of *French Ships*, by which is drawn into the Pockets of our Insurers a small Sum, over and above what they repay; and there,
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by Advantages immensely greater are given to the *French*, and lost to ourselves, which we should otherwise gain by the Interruption and Ruin of the *French* Commerce.—But the Eyes of right Policy ought always to regard the great and extensive public Consequences, and not to be blinded by a little particular present Profit.

To enter into a short Detail of these Consequences, it may be observed,

First, That by our Insurances the *French* diminish the Amount of the *Distress* and *Ruin* which they would otherwise incur; for if out of every *hundred* of their Merchants, *eighteen* are absolutely ruined, and *eighty-two* escape with considerable Gains, there will be a greater Quantity of *Distress* upon the whole, than if *all* the *hundred* are *fined* according to their Abilities.--- In one Case you see absolute Ruin to *many*, and Terror to the *whole*: In the other Case neither *Ruin* nor *Terror*, but a *general frugal Security*.

To examine further the probable *Gradation* of commercial *Ruin* which the *French* would have endured, without our Insurances.— If the Loss of the *French* Shipping and Cargoes concerned upon their first Outset after the War would have been $\frac{1}{100}$. Parts of the whole at a moderate Computation, then the Remainder of the *French* Shipping and Cargoes after the first Loss would have been $\frac{99}{100}$. Of which if $\frac{1}{100}$ also had been captured in its Voyage homewards, the Remainder of the *French* Shipping and Cargoes concerned after the second

cond Loss would have been $\frac{42}{100}$.—And again, if the Amount of the 3d Loss had been $\frac{18}{100}$ of this $\frac{42}{100}$ the Remainder of the *French* Shipping and Cargoes after the 3d Loss had been no more than $\frac{22}{100}$.—And the Amount of the several subsequent Losses, and Remainders of the *French* Navigation and Property invested therein, being computed after this Manner, will be thus represented in the following Prospect.

The Amount of the 1st Loss	$\frac{18}{100}$	The 1st Remainder of the <i>French</i> Navigation, and of the Cargoes invested therein, after the 1st Loss	$\frac{82}{100}$
The 2d Loss	$\frac{18}{100} \times \frac{82}{100}$	The 2d Remainder	$\frac{67}{100}$
The 3d Loss	$\frac{18}{100} \times \frac{67}{100}$	The 3d Remainder	$\frac{55}{100}$
The 4th Loss	$\frac{18}{100} \times \frac{55}{100}$	The 4th Remainder	$\frac{45}{100}$
The 5th Loss	$\frac{18}{100} \times \frac{45}{100}$	The 5th Remainder	$\frac{37}{100}$
The 6th Loss	$\frac{18}{100} \times \frac{37}{100}$	The 6th Remainder	$\frac{30}{100}$
The 7th Loss	$\frac{18}{100} \times \frac{30}{100}$	The 7th Remainder	$\frac{25}{100}$
The 8th Loss	$\frac{18}{100} \times \frac{25}{100}$	The 8th Remainder	$\frac{21}{100}$

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Thus it appears, according to this Computation, that after *three Circles* of Voyages, each *Circle* including one Voyage outwards and homewards, there would be only $\frac{1}{10}$ of the

the whole *French* Shipping and commercial Property left remaining. And supposing each Circle to be completed in *twelve Months*, this great Destruction would be accomplished in the Space of *three Years* ; and in a few Years more their whole Shipping and Cargoes, by repeatedly passing through our Men of War and Privateers, would be entirely captured.

To which, I expect it will be objected, that under our Insurances, there is a greater Deduction or Loss, upon the *French* Shipping and Cargoes, than what I have here supposed ; The Premia, including the Insurers Profit, being a Loss of *20 per Cent*, instead of *18 per Cent*, upon these Cargoes, and yet that the *French* Commerce sustains this greater Burthen, by the extraordinary Gains which their Merchants make ; which Gains would be greater without our Insurances. -- In answer to which, it is duly to be remarked, that there is a very wide Difference between the two Cases, although the Deduction from the Value of the *French* Shipping may seem to be the greatest under Insurances. For in this latter Case the *whole Loss* is prevented from falling upon a *few Particulars*, and accomplishing their Ruin. Instead of which, the whole Amount of this Loss is computed, and the *French* Merchants in general pay their *Contribution* towards it, each according to the Amount of the *defective Part* of his own Cargoe. -- It is this *Contribution* indeed, which may be sustained by the Profits of the Commerce ; and the *same*
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Number of Merchants and Value circulated in Trade may be thus preserved. But these Advantages are derived to the *French* Merchants from Insurances; whereas otherwise, *Dum pugnânt singuli, cadunt universi*. --- It being evident, that if the *whole Weight* of the Loss was to be constantly poured upon a few *Individuals*, separately from the rest, it would effect their Destruction: And thus the *French* Merchants being *devoted* one after the other to *Ruin*, their Number would be successively diminished, and in a very short Time utterly annihilated.

But it may perhaps be imagined, that the *extraordinary Gains* of those who *escape*, will be continued in the *French* Commerce, and always preserve its Value equivalent: --- To which I answer, that the Winners, like fortunate Gamesters, who have adventured deeply, and been successful in an hazardous Game, will probably, most of them, retire out of Trade, and have the Prudence to secure the Wealth they have gained: This indeed is the common Discretion of Men of Substance, who seldom chuse to run the Hazard of becoming Beggars for any Prospect of Gain; as they are already possessed of almost all that Riches can give them, which is Ease and Affluence: --- If ever therefore they game deeply, it is upon very unequal Terms; for they are not in a State of *Indifference* between Poverty and Riches; but run the Hazard of Poverty on one Hand, to acquire what they already hold,

on the other ; which is, in Effect, to venture *all*, against *nothing* : --- It is therefore naturally and reasonably to be concluded, that the Merchants of large Substance in *France* would retire from Business, under such precarious Circumstances of Commerce.

Thus, in want of the Support of Insurances, the poor and unfortunate Merchants of *France* would be broken, and the rich Merchants would retire from Trade. And therefore the foregoing Arguments, that the same or a greater Loss is sustained under Insurances, and that the Gains of the successful may repair the Destruction of the Unfortunate, and preserve an equivalent Value in Trade, have no Foundation. — On the contrary, the successful will cease to be Merchants, and escape from that Danger, which hath overwhelmed the unfortunate ; — and the Dread of Ruin will deter all from engaging *anew* in Commerce : Thus the whole *French* Trade would soon be abandoned ; not only *Losses*, as hath been already demonstrated, but *Success* also, as a *new Spring*, co-operating to annihilate their Merchants.

It may further be remarked, that from the Connections between Merchants, and their mutual Dependence upon each other, the Losses of a *few* would affect *many* ; and thus the Ruin would be more swiftly communicated to the whole Body, than according to the foregoing Estimate. — And let those, who shall before object to the *middle Rate* of
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the Premium, as being *too low* at 20 *per Cent*, remember, that if the Premium ought to be stated *higher*, and the *defective Part* of the *French* Cargoes be more than 18 *per Cent* upon a Medium, then the *Ruin* would advance upon the *French* Merchants with *greater Rapidity*, than hath been computed : — Thus if the *defective Part* of their Cargoes be $33\frac{1}{3}$ *per Cent*, or $\frac{1}{3}$ Part, their Merchants and Commerce would be immediately annihilated. — It is evident from hence, that there hath been no Design to exaggerate in the foregoing Computation. And let any Gentleman conversant in Trade lay his Hand upon his Breast, and declare whether he thinks it possible for the *French* Commerce to have subsisted, if it had been constantly exposed to such a Course of *successive Destruction*, and the *Losses* upon it had been left to their *full Scope* of crushing *Particulars*, without any Support to their Traders from Insurances.

What hath then given the Merchants of *France* a solid Credit, and an Ability under all the Hazards of their Shipping to maintain their Commerce, but Insurances? Can it be doubted, that without these they would have no Foundation left, and must instantly sink : --- For they could give no solid Security to any Lender. And of Course the Money which is now intrusted in their Hands, and circulated in the *French* Commerce upon the Security of the *Restraint* of the *Loss*, would all be withdrawn.

The Consequence of this would be, that their Manufactures and Shipping at *Home*, and Plantations *Abroad*, would immediately languish and die; the Merchant being no more able to set them at Work: So that it appears from hence, that by the Insurance of *French* Ships, not only their *particular* Cargoes are insured, but also the *whole Commercial Stock* of the *French* Monarchy, to an immense Amount, is hereby preserved alive, and invigorated: — View then the prodigious Advantages, which the *French* have derived under this War from Insurance.

It is here always to be remembered, that as the *French* and We, are Competitors in Trade, almost all which is preserved to *them*, is intercepted from *Us*: — This is evidently true in Regard to their *Woollen Manufactures*, and to their *Sugars*, *Fishery*, and the greatest Part of the *Produce* of their *American Plantations*. — It fully appeared in the Year 1719, when the *Plague* of *Marseilles* had stopped the Vent of the *French Woollen Manufactures*, that the Foreign Demand and Consumption of ours, was thereby vastly increased: And it is plain, that before the prodigious Increase of the *French Sugar Colonies*, we vended large Quantities of *Sugar* in the *Baltick*, *Holland*, *Germany*, and the *Mediterranean*; which Markets have been since supplied by the *French*: And that now, if their *Sugar Colonies* were ruined, our own would be almost proportionably increased.

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How surprizing an Effect *their Loss*, and *our Gain* at the same Time, will have upon the Proportion of Trade and Wealth between the two Nations, is fit to be particularly explained. — For suppose the whole Value of the *British* Trade be to the whole Value of the *French* Trade, as 3 to 2; — let now the *French* lose *half* of theirs, and let *Us* gain it; Then will the Proportion be as 4 to 1 in our Favor. — Again, suppose the whole Value of the *English* Trade to be to the whole Value of the *French* Trade, as 2 to 1; and let the *French* lose *one half* of their Trade, and let *Us* gain it; then will the Proportion be, as $2\frac{1}{2}$ to $\frac{1}{2}$, or no less than 5 to 1: — How pernicious then is that Commerce, which hath prevented such great Effects in our Favor!

There is a third Argument brought in Support of our Admission of these Insurances, which is, *That it is right Policy in any Commercial State to deal in all Articles of Trade, and to fix their own Country the great Magazine of all Sorts of Commodities*; in the same Manner, as judicious private Traders keep many Commodities, by which they are likely to gain little, in order to preserve the general Resort to their Storehouses.

To which it is to be answered, that the Case is not similar: --- For considering *Britain* as one Trader, *Holland* as another, and *France* as a third Trader; it may be right indeed for either of them to have in their Storehouses, not only the Commodities, which are

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in general Demand, but some of those also which are seldom required, provided these last exhaust not too much Property. --- But will it therefore be prudent in any private Trader, to insure the bad Debts of a rival Trader, and to support the Credit of his Competitor, from whose Failure he should draw the whole Business to himself? — This last is the Case of our insuring the *French Commerce*.

It may even happen, and is really the Fact, that not only the *British Nation* in general, but even the *British Merchant* himself, who is the *Insurer*, shall be a Loser by this Business: For considering this *Insurer*, as a *Merchant*, he sets up and supports a *French Merchant*, to be his Rival in Commerce, and actually to undersell him, in most Cases; and thereby he himself loses excessively more, than his little Profit by Insurance.

There are some Gentlemen, upon this Occasion, who fall into a Course of declaiming against all Commercial Prohibitions, and Restraints; and have a *Creed*, which they emphatically repeat, that the *Current of Trade* should be *free*, and not interrupted by any Obstacles. — Such Gentlemen appear to have no Conception of the Wisdom of the *Act of Navigation*, without which the *Dutch* would supply the Wants, and receive the Produce, of all our *American Colonies*: They have no Notion of our checquing the Importation of *French Linens*, and *Silks* into this Island, without which our own Linen and Silk Manufactures

factures would be immediately ruined : — It is indeed true, that the *Current of Trade* ought not to be *stopped*, but it ought to be prevented from flowing into *wrong Channels*, and to be *directed* into such as are *right*. Some Restraints and Prohibitions in Commerce are therefore neither new, nor dangerous Expedients ; and any Argument against our prohibiting the Insurance of *French Ships*, from the general Topic that all Prohibitions whatsoever are bad, appears to be quite invalid.

There is a fourth Argument urged in Favour of these Insurances, which is, *That we are now possessed of almost this whole Business, And that as Trade is of a delicate Nature, it behoves us to consider, whether by checquing any Branch of this Business, we may not drive the whole from amongst us, and be at last obliged to depend upon the Courtesy of Foreigners for being insured ourselves.*

This Argument hath already been answered in general, by shewing, that Trade is not of so *delicate* a Nature, as not to suffer some Prohibitions and Restraints. — On the other Hand, the true *Spring* and *Principle* of Trade is the *Profit* of the *Trader* ; and as the vast Quantity of our own Shipping is a very extensive Field for Insurance, and the Profit in the Premium a sufficient Incentive to this Business, it is no more to be doubted, that it will always be pursued in *Britain*, than that *Glass*, or *Iron*, or *Earthen Ware* will continue to be sold, whilst a sufficient Profit is to be gained
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by the Seller. — Add to which, the *Eſtabliſhment* of ſeveral *Corporations* of *Insurance* amongſt us, with ample Stocks, is in reality the Eſtabliſhment of perpetual Funds for ſupporting this Buſineſs.

Again, this Argument ſeems not to be grounded upon *Reason*, but upon *Conjecture*, and *Terror* : For it is wholly built, not upon *preſent* Facts, but upon *future* imaginary Miſchiefs. — And yet we need not be much *terrified* neither : --- For if theſe *Foreigners* in the *Clouds*, who are to obtain all the Buſineſs of Insurance, and upon whoſe *Courteſy* we are to depend, ſhould not be *courteous*, then *They* alſo will drive this *delicate* Buſineſs from them, and *we* ſhall recover it again. --- But if it be ſaid, that in the mean Time, that is, in the Interval between its Retreat from them, and Eſtabliſhment with us, our Trade may be ruined for want of this Support, it is what I deſire may be well remembered ; and that by the ſame Rule, *We* now, who are in Poſſeſſion of this Buſineſs, may utterly ruin the *French* Commerce.

It is further to be obſerved, that the whole Amount of this Argument, when ſtripped of its Terrors, is no more than this, *That we are now poſſeſſed of both the good and the bad Part of Insurance, and therefore we ought not to attempt to prevent the one, for fear of loſing the other.* Which is an Argument againſt all Regulations whatever upon any Subject ; and would, if it was admitted, put a
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Stop to almost all the future Business of the Legislature. --- If it could be shewn indeed, that the Insurance of *French Ships* is so intimately blended and mixed with the Insurance of our own Ships, that we cannot reject the former, without rejecting at the same Time our own Ships, there would be some Pretension to Reason in the Argument: But it is evident that our own Ships and the *French Ships* are no more dependent on each other, than *Jamaica* and *Martinico*; and that to distress the *French Navigation* will be so far from hurting our own, that it will be giving ours the greatest Encouragement.

The fifth Argument, and which hath generally been esteemed of the most Weight, is, *That if we dont insure the French Ships, the Dutch will insure them, or the French will become their own Insurers.*

The Gentlemen, who use this Argument, or rather *Excuse*, seem to admit, that it would be bad Policy in us to insure the *French Ships*, if their Insurance could be prevented; but they urge, that the *Dutch* will insure them, if we dont, and therefore that it is prudent in us to acquire the *Profit*, as the *Evil* cannot be remedied.

To which I answer, first, that it is not so certain, as may be imagined, what the *Dutch* either *can*, or *will* do in this Case; — But whatever Conjectures may be made in Regard to the future Conduct of other Nations, it is our Business at present to act rightly and consistently ourselves; and then it is the most probable

Conjecture that the *Dutch* will follow our Example. — The Truth is, our Insurers seem very willing to divert the public Attention from themselves, by thus accusing their Neighbours; or even frequently by throwing the Blame upon our own Legislature; and demanding, — If it is an evil Practice, why is it not prohibited by Law? Though in the next Breath declaring, that the Legislature ought to make no Commercial Prohibitions.

However, to examine this Excuse, the Amount of it is this, *that we are to commit an Evil, lest the Dutch should commit it.* --- 'Tis easy to see, that this Method of arguing, if it should be allowed, will justify the committing of almost any Iniquity, upon the Presumption that if you don't do it, it will be otherwise committed. — Upon this Principle, our Insurers might sell *Naval Stores* or *Provisions* to the *French*, and exculpate themselves, by urging, that they gain a *Profit*, and that if they did not sell these Stores, the *French* would obtain them from the *Dutch*, or the *Baltic*.

In like Manner, our Insurers might subscribe to the *French Loans*, and alledge that they gained good Interest for their Money; and that if they did not subscribe, the *Dutch* or the *Venetians* would, or the *French* would subscribe themselves. — And in short, upon this Principle, for the Sake of a little present Advantage, may be committed the greatest consequential Evils.

It is said, that the *Venetians* or *Dutch* will insure the *French* Ships, if we do not; and
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this is mentioned as though, our Refusal to insure the *French* Ships would be to put the Commerce of *France* to no Inconvenience.

— In Answer to which, I say, that before it appears that the *Dutch* and *Venetians* will insure the *French*, it must be proved that they *can* do it; for it will require the *new* Engagement of a very large Body of moneyed People in *Holland* in this Business; to which these *new* Insurers will be Strangers at first, unacquainted with the Adjustments of Losses, and diffident of the Prudence of hazarding their Substance in such Undertakings; which Difficulties, and Anxieties, are not dissipated at once, but by Time and Experience. — It seems therefore not easy to raise in an Instant such a Body of *new* Insurers in *Holland*, or elsewhere, as may be able and willing to undertake the Insurance of *French* Ships. And in the mean Time upon our Refusal, the *French* Commerce would languish for want of its usual Support.

But if the *French can* be insured as easily, and firmly in *Holland*, as in *England*, why then have they so remarkably preferred the *British* Insurances? — Is it not true, that the *French* have no Confidence in the *Dutch* Insurers? From whom Losses are not apt to be recovered, till after much Wrangling, and Delay. — Would it therefore be no Distress to the *French* to be forced only to depend upon *Dutch* Insurers; to be intercepted from their accustomed desirable Market in *England*; and

to have no other Option, but either to insure themselves, or to sue to the *Hollanders*?

It is a known Fact, that the *French* procure a large and constant Body of Men for their Armies from *Switzerland*; will it be said, that if the *French* were intercepted from this Supply, it would be equally easy for them to obtain other Troops, in their Stead, from *Italy*, *Germany*, or *Holland*? Would it not intercept them from their greatest Resource for Foreign Troops? And if they could raise an additional Number in these Countries, equivalent to the *Swiss*, would they not be obliged to give higher Levy Money to the *Germans*, *Italians*, and *Irish*, when they wanted more Men from them, and were confined only to their Markets? — It is the same in Regard to Insurances, the *French* have almost wholly relied upon *England* for this Support, and if they were now excluded from hence, it is evident they must give higher Premia to the *Dutch* or *Venetians*; in the same Manner, as a prodigious new Demand for a Commodity at any Market, will certainly raise the Price of that Commodity.

If the *French* therefore can be insured by the *Dutch*, it will be at a greater Expence, and under many new Disadvantages; — but it is said, that the *French* upon finding Difficulties abroad, will insure themselves. — How this is to be accomplished does not appear: — In the Midst of the Distress of the *French*, and their Loss of all Credit, how a large Body of moneyed

moneyed People are to rise up amongst them, and instantly to establish Offices of Insurance, is not evident; these require Time and Experience to be rooted and grow, and cannot suddenly acquire a general Confidence. — The *French* Court hath no Money to spare at present for these Purposes. And whether the *French* Merchants would have any Faith in such a Support, or would not be tender of exposing the Amount of their Dealings to the Officers of the Crown, is much to be doubted. — It is true, that the *Public Benefit* is a very strong Motive to any Undertaking; But it is not from thence certain, that *We* shall immediately establish a grand Fund for our *Herring Fishery*: For it is not a conclusive Argument, that a Measure will be pursued on either Side, because it is right Policy.

But to return to the *Dutch*, admitting that they *can* insure the *French* Ships, it is not absolutely clear, that they *will* do it; they are sensible of the Evil, and know of what Importance it is to distress the *French*; --- And why is it to be laid down as an incontestable Certainty, that no Remonstrances from hence, no Conviction in themselves of the Importance of the Mischief, shall prevent their engaging in this Practice, after we have honestly led the Way, and given our Refusal? --- If any *French* Ships are at present insured in *Holland*, is it not probable, that *their* Insurers imitate *ours* in their Excuse; and urge, that if they don't insure these Ships, the *Eng-*
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lish will: And thus whilst the Insurers on both Sides are struggling for a little pitiful Gain, which neither of them will willingly relinquish, and laying the Fault upon each other, the public Efforts of both States to humble their common inveterate Enemy, remain superse-
ded.

The Evil at present lies principally at our own Door; it is therefore ours, to assume the *Post of Honour*; and it is highly probable that the *Dutch* will cordially follow our Example in making the same Refusal; — 'till it shall appear otherwise, they have Reason to complain of an *Accusation*, on our Part, which lays to their Charge, not so much what they *have done*, as what they *will do*: The *Accusers* all the while acknowledging their own Commission of the Male-Practice, and pretending to vindicate themselves by this As-
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sion.

But, if upon our Refusal to insure the *French* Ships, the *Dutch* shall insure them, which we cannot certainly know, till we have made the Refusal, nor is it probable will happen upon Remonstrances from hence being made against it; yet even in this Case it has been shewn, that the *French* Commerce must suffer by being excluded from our Insurance; and that the vast *new Demand* for Insurances in *Holland* would excessively raise the *Premia* in that Market: — This Argument therefore, which supposes, that the *French* can without Inconvenience turn themselves
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from us to the *Dutch*, appears, at all Events, not capable of being supported.

There is a 6th Argument urged against any Attempt to restrain this Practice; which is, *That it is impossible to prevent it by prohibitory Laws, and that our Insurers having tasted the Profit, will pursue the Practice; the secret Communication between Merchants at distant Ports, giving them constant Opportunity, when a Business is prohibited at one Place, of transacting it with the greatest Facility at another.*

To which I answer, first, that it is not to be supposed that *Gentlemen* here of Character and Fortune, who may now be engaged in this Business, would allow themselves, for the Sake of a little Gain, to act in Opposition to the Laws and Advantage, (after they were both clearly described) of their Mother Country. — And *Persons* of small Fortunes, who now probably transact a great Part of this Business, and appear responsible at Home, will not be able to establish a Fund of Credit for the Support of it *Abroad*.

Secondly, That even imagining Persons of real Substance should design to pursue the Practice, they are not all of them, nor the major Part, at present concerned in Commerce at *Lisbon*, *Leghorn*, or *Amsterdam*; nor can they easily and immediately establish a Communication with these Ports, or find proper Correspondents at once there, to whom they can confide their Property and the Management
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of this Business. — Besides most Insurers chuse to be informed themselves of the Nature of the Voyage, the Condition of the Vessel, the Character of the Captain, and of other Circumstances; nor, without their own previous Knowledge and Approbation of these, are willing to hazard their Substance. — But supposing these Difficulties to be all removed, yet the Establishment of a Fund of Credit abroad, and the Commission Money to Correspondents for negotiating the Business, would be attended with *new Expence*, which must *aggravate* the Premium, and consequently the Burthen upon the *French*, upon whom all these additional Charges must in the End be imposed.

But if it shall still be insisted, that notwithstanding these Interruptions, and many more, our Insurers will continue to pursue the Business, and that a *Prohibition* will be absolutely *ineffectual*, I beg Leave to observe, that it then plainly appears that the last Argument, which alledged that they pursued this Practice, because if they did not, the *Dutch* would, is a mere *Excuse* and *Evasion*. — And upon the Whole, I say, whether a Prohibition *shall* be effectual to restrain our Insurers, or *shall not*, from pursuing this Practice, it is still right to try the Experiment. — For if it *shall* prove effectual, your End is answered; and if it *shall not*, you will lose nothing yourself, *according to this Argument*,
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and at the same Time will *raise* the *Premia* upon your Enemies.

There is one Argument more, which I have started to my own Mind, in Favour of these Insurances, and as it seems to me at least equally potent and subtle with any of the former, I shall fairly exhibit it, with what appears to me to be a just Answer.

This is, *That it being wrong Policy in the French to be insured abroad, It is therefore right Policy in Us to be their Insurers ; what is detrimental to them in the Dealings between both States, being our Advantage.*

To which I answer, that in right Policy the *French* certainly ought to erect Offices of Insurance at *Home*, and not to depend upon the Mercy of Foreigners for this Support ; but until such Offices are established amongst themselves, it is a Benefit to them to be insured abroad. — And here let it well be remarked, that the chief Reason why they ought not to depend upon us for insuring their Ships, is, because we may take this Security from them in a War ; therefore as this is the Blow which they ought to dread, it is the Blow which we ought to give them, at this Juncture.

Again, since the *French* ought in right Policy to erect Offices of Insurance at *Home*, if they have not hitherto erected them, it is not our Prudence quietly to insure their Ships, and to give them Leisure to rectify their bad Policy : But we ought to take the present Advantage whilst we have it, and to withdraw

this Security from them, before they withdraw their Dependence from us ; which it is possible they may gradually do in a Time of Peace, without Inconvenience. — Therefore, it being the right Policy of the *French* to insure themselves at Home as soon as they have Opportunity to effect it, this ought to be a Reason to us for suddenly excluding them at once from being insured here, before they are prepared.

To this I beg leave to add, that the Business in War is to use every Advantage and Superiority to distress your Adversary, tho' perhaps you may awaken him thereby to a new future Attention to his Interest in a particular Article ; for you are to be supposed to acquire such Power by using your *present* Advantages, as to force him to yield to you at once more than you can expect to obtain in *Future*ty by leaving his Negligence unroused. — Thus if at present by refusing to insure the *French*, we should force them into a Distress, which might oblige them to sue for Peace only three Months sooner, than they would do otherwise ; our Advantage from thence, in the *saving* of *Expence* only, would be greater than the *present Value* of our *Profit* by insuring them *in infinitum*. — Not to mention our Advantage otherwise, in the Increase of our own, by the Ruin of their, Commerce.

However as I conceive this Argument, *that we ought not to force our Enemies to rectify their bad Policy, nor rashly to deprive ourselves*

selves of a Branch of Profit which we may long continue to possess, is the *latent* Argument to be used in Favor of these Insurances, I shall state it in the strongest Light by the following Instance. — Imagine that in Time of Peace the *French* neglected to encourage their own Shipping, and suffered us to be the sole *Carriers* of all their Manufactures and Produces; this would evidently be wrong Policy in them, because it would be trusting the whole Support of their Commerce to our Courtesy, besides giving us a Profit, which ought to be distributed to their own Navigation: It would therefore be right Policy in us to receive this Profit, and at the same Time to hold the *French* Commerce at our Mercy. But suppose in this Situation that War should arise between *England* and *France*, are we then to neglect the Power we have in our Hands, and still to circulate the *French* Manufactures and Produces in our Shipping? Or is the mean Fear of losing one little Branch of our Profit, to withhold us from ruining the whole *French* Commerce. — In War no Force can be exerted, nor Battle be fought, without some Loss to the Victor: But if by suffering a lesser Mischief yourself, you can ruin your Adversary, you gain the entire Superiority. It is then, you are to *fix* this *Superiority*, by a proper Treaty; and to force from your Enemy such solid Concessions, as may be an ample Equivalent for any Thing he may withhold from you for the future, by rectifying his Errors.

If War be made otherwise, and you are not to exert all the Power you have, for fear of relinquishing a small Profit, whilst at the same Time by relinquishing it, you will do your Enemy an irreparable Mischief, you avoid gaining the Point, which ought to be your sole Object; that is, *Victory*. And you neglect to possess yourself of the *whole Commerce* of your Adversary by *your own Force*, for the Sake of obtaining a *Profit* upon a *small Part* of it, during *his Pleasure*.

It may perhaps here be demanded, *Whether, as the French are our constant Competitors, right Policy permits us, in Peace, to insure their Commerce?*

To which I frankly reply, that considering the *Insurance of Goods* as a *Commodity* which we produce, and which may be sold at an high Price to our Neighbours, it does not therefore follow, that it will be right to export this Commodity, even in *Peace*; for there are many Articles of our Produce, which the Wisdom of the Legislature hath prohibited to be exported: As particular, *Sheep, Wool, Woollen, Yarn, Fullers-Earth, Untanned Hides or Skins, White Asbes, British Tallow, Frames or Engines for making Stockings, or other wearing Necessaries*, and other Articles: All which have been evidently prohibited upon the right Political Principle, of preserving to ourselves the Benefit of manufacturing our own Materials, and also such other natural, and acquired Advantages of our own, as our Competitors cannot

cannot obtain, but by our Courtesy. And upon the same Principle, if the *Insurance* of *Ships*, which is an acquired Advantage, we now eminently possess, and which is the Support of Credit, Navigation, and Commerce, could not be raised and cultivated in Peace by other States, it ought absolutely to be prohibited to be exported.

But, as I suppose it to be in the Power of the *French*, gradually to plant Insurers at Home: — If they shall be willing to insure themselves in *England* in Time of *Peace*, it seems to me that we ought to insure them for two Reasons; because they will pay us a Profit, which they ought to keep to themselves: And at the same Time will put the Support of their Commerce in our Power. But if *They* shall chuse to be insured here in *Peace*, and *We* take no Advantage of it in *War*, we release them out of our Power; And act as wisely as those, who can *suddenly disarm* their inveterate Enemy, and yet continue to furnish him with *Weapons*.

Having thus made the *Distinction* upon this Question, which appears to me just; and having stated before in their full Force, all the Arguments, which have occurred to me in Favor of this Insurance in *War*, I shall now attempt to explain some extensive Evils, which evidently flow from this Practice, over above what have already appeared.

It is then easy to observe, that our Insurers by this Commerce with our Enemies, are rendered

dered *bad Subjects* to their Country. — For as *Self Preservation* will be apt to prevail over all other Motives, they cannot but repine at the Capture of the Enemy's Ships, and rejoice in their Escape; and thus it is the melancholy Effect of this Practice, to render many of the most active and vigilant moneyed Persons amongst us, *averse* to the *Success* of the *Arms* of their *Country*, and anxiously wishing for the *Deliverance* of its *Enemies*.

Upon this Occasion it is not to be suppressed, that Suspensions have been held, that the *French* have obtained *Intelligence* of the Stations of our Men of War from the *British* Insurers; and it is certain that our Insurers have strong Temptations to contribute to the Escape of the Ships they have insured. The Fact really is, that *Intelligence* is continually passing between them and the *French* from the Nature of their Dealings; it being evident that in order to shew the *Hazard* of a Capture, our Insurers must point out the Squadrons and detached Vessels of ours, which will be liable to intercept the Enemies Ships in their Passage. — This will be expected as reasonable, and fair, in order that the Premium may thereby be equitably ascertained. — It appears thus, that there is some kind of Necessity under this Dealing, that the *French* should be inform'd of the Force, and Number, and Stations of our Men of War, by our Insurers; — nor can it be doubted, that such Information is properly applied by
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the *French* to the Security of their Commerce.

There are however some Gentlemen, who argue that this *Intelligence* is *reciprocal*; and that, as the *French* may serve themselves of it to *escape*, so on the contrary *we* may serve ourselves of this *Intelligence* to *make Captures*.—But the Case is not equal; for the *Intelligence* from hence goes directly to the *French* Merchant, whereas the *Intelligence* of the *French* Ships is not sent directly to the *British* Admiralty.—On the contrary, it would be esteemed base and dishonourable in any Offices of Insurance here, to divulge their Accounts of the *French* Shipping, expressly for the Purpose of their being captured;—when at the same Time the *French* Merchants will not be blamed for applying the *Intelligence* they receive from hence to their own Preservation.—It is indeed true, that the Voyages and Values of the *French* Ships may be known from our Office-keepers, whilst they are confident no Use is to be made of any Inquiry, independent of their own Business; but if once it was perceived that our *Admiralty* was attentive to collect *Intelligence* in this Manner, it would be instantly concealed by our Insurers; and such *false Lights* would be held out for the future, as would confound, instead of direct, our Cruizers.—For to remove all Shadow of a Doubt upon this Subject, I say, that our Insurers *will* give *Intelligence* to the *French* of the *British* Cruizers, because it will raise the Premium; and that they *will not* give *Intelligence*

gence to our Cruizers of the *French* Ships, because it will promote Captures. — Since therefore the *Englifo* Cruizer is not equally instructed on one Hand, in Opposition to the *French Merchant* on the other, it appears evidently that the *Intelligence* is not *reciprocal*.

It is further not to be concealed, that the *French* have an absolute Advantage, from this Article of Intelligence, not only for *escaping*, but also for being *captured*. — If a few of their Ships, or Part of one Ship, destined to a particular Voyage, be insured here, the Information they may obtain from *England* upon this Occasion, may be applied to the Security of the Rest, which are not insured. — And further, how practicable is it for the *French* to insure any Sums, upon the Terms of *Interest*, or *no Interest*, on Ships where they have little or no Cargoe, and to order such Ships to steer their Course in the direct Path of our Cruizers. — In which Case for the Payment of every 20*l.* in Premia, they are sure to recover 100*l.* from our Insurers. — And this is what is said to have been lately committed upon Ships fitted out at *Bayonne*, upon which no Cargoes were shipped, and considerable Sums were *here* insured.

Insurances upon *Interest* or *no Interest*, in the Cargoe, have for Plea, I presume, the avoiding of Trouble and Disputes in ascertaining the Right to the Property; upon the same Principle as *Goldsmiths* and *Bank Bills* are made payable to the *Bearer*, without further Inquiry. — This, I apprehend, is the strongest

est Argument in their Favor; but there is evidently this Difference, that in Regard to such *Bills*, there is an indisputable Property belonging to the *Drawer* of the *Bill*, though how the *Bearer* obtains the Possession of it, is uncertain: — Whereas in Insurances of *Interest* or *no Interest*, there may be no *Property* belonging to any Person; — besides in the Case of the *Bills*, the original Intention is obtained and preserved, which is *the easy Circulation of Property*: — But Insurances having been originally calculated, and in their Integrity still adapted, to the Support of Navigation, and Commerce, may by this Application of them be directed to the Destruction of Shipping; and deviate intirely from being an Encouragement of Trade, into a Temptation to Frauds in Navigation and commercial Abuses.

This Method of Insurance also, having no Foundation in Property, carries with it an *Absurdity*, in engaging to *secure* what is not standing out upon Hazard, *nor* really *existing*; and consequently falls into a downright Scheme of *Gaming*, where the Insurer and Insured wager together a particular Sum respectively, upon the Success of a Voyage: It is therefore in Reality liable to the same Objections, as Gaming; and this Method of Insurance upon Interest, or no Interest, has therefore been wisely prohibited by a late Act of the Legislature, in Regard to all *British* Ships; but for some imaginary Reasons the

Prohibition was not extended to the *Ships* of *Foreigners*; which seems, as though it was of Concern, to prevent our being *defrauded* by *each other*, but that our being *defrauded* by *Foreigners*, was not to be interrupted.

There is however one Circumstance urged in Favor of this Method of Insurance upon Foreign Ships, which is, that *British* Property is often shipped in the *Spanish Galleons*; and though it lies covered under *Spanish* Names, and the Amount of it cannot be exposed, that it ought not to be excluded from the Security of Insurance. — To which it is to be answered, that this is only a *particular Case* of a *very narrow Extent*; the *British* Property in these Galleons being not *one twentieth* Part of their Value: And as this Indulgence cannot be granted without opening a Door to excessive Frauds, and submitting ourselves, in an unlimited Manner, to the Mercy of *Foreigners*, it must be refused. — In the mean Time, the *British* Merchants concerned in these Galleons will stand upon the *same Security* with *Foreigners*; and if they are captured, it will be by *ourselves*, and in that Respect no Loss to this Nation. — It might be added, that this Objection cannot decently be made by *those*, who insist that these Insurances may be *made elsewhere*, if they are prohibited in *England*. — But, totally to obviate the Objection, either our Insurances *are necessary*, or *are not*, to this Commerce; — If they are *not necessary*, then the Distress of
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the *British* Merchants, and consequently the Objection, vanishes. — But if these Insurances are necessary, and this Commerce by the *Galleons* will be distressed and ruined without them; let it be remembered that *nineteen twentieths* of the Loss will fall upon *Foreigners*; and of this *four fifths* at least upon the *French*; — and thus a strong Reason emerges from hence, why these Insurances in *England* ought to be prohibited; — especially if it be considered, that the *Stop* of the *Galleons* would very largely increase the *private Trade* from *Jamaica* to the *Spanish West-Indies*.

It deserves solemn Attention, that *our Insurers*, in Reality, oppose all the *Efforts* of the *State* to destroy our *Enemies*: — For whilst our Admiralty is designing the total Capture of the *French Ships*, and exerting the Maritime Force of the *State* to ruin the *French Commerce*, our Insurers step forth, and agree with the *French Merchants* to *guaranty* their Commerce; and that their Loss shall not exceed 15, 20, or 25 *per Cent*, or whatever is paid for the Premium, from both the Sea and our Captors. — So that they actually intercept the Blow meditated by the Government against our *Enemies*; and, upon a certain Bribe being paid to themselves, place the *French Commerce* in a State of Security.

Put the Case, that the *French* have entirely insured any of their outward or homeward-bound Fleets, as their late *St. Domingo Fleet* is supposed to have been, at any Premium, as

suppose 20 *per Cent.* upon a Medium. Imagine now, that the *British* Ministry, or Admiralty, by the Interception of a *French* Pacquet, or by any other Intelligence, are informed, that the Rendezvous of the whole *French* Fleet is to be in a certain Latitude; and that a Squadron of *British* Men of War may be so stationed, as to be morally certain of *destroying*, or *taking* the whole *French* Fleet. — An Event of this Sort will shine in the *Gazette*, and be celebrated with *public* Illuminations. — But what will be the Consequence? — It is evident, that if the *French* Fleet be *destroyed*, our Insurers are responsible for it to the *French*: Therefore, in the Case of the *Destruction* of their Fleet, even upon a fair Insurance, we shall have the Value of all this Fleet to pay to the *French*; towards which our Insurers have only received $\frac{1}{3}$ Part, for the Premium. — Whence it appears, that there will be a *clear Loss* to the *British* Nation of $\frac{2}{3}$ of the Value of the whole *French* Fleet, from this Event.

But suppose that the *French* Fleet, instead of being *destroyed*, is all *captured*; — our Captors then gain the whole from the *French*, and the *French* recover again $\frac{2}{3}$ thereof from our Insurers: — So that upon the whole, we acquire only $\frac{1}{3}$ Part of the Value of this Fleet, or the *Premium*, which we should have acquired, if this Capture had not happened. — Thus upon the Supposition that the whole *French* Fleet is insured, we shall neither gain
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nor lose by the Capture: — Therefore the Destination of our Squadron to this Expedition, at the best, will be absolutely useless; and the public Treasure and Strength in Money, and Ships, and Men, to the Amount of perhaps 2, or 300,000 *l.* will have been all wasted and squandered away, to no Purpose, upon this Event.

It is therefore high Time for a serious Enquiry, whether under the present Practice of insuring the *French* Ships, the greatest Part of our *public Naval Expence*, so solemnly provided, and appropriated by the legislative Body of the Nation, may not, upon many Occasions, be fruitlessly directed: For after any *French* Ships are insured here, it is ridiculous to employ our Maritime Strength in taking these Ships, since then *all* the *Loss* will fall upon our *own Insurers*. -- It is indeed certain, that the more of our Enemies Ships we take, the higher the *Premia* will be *raised* upon them in *future Voyages*: But in Regard to a *present* Voyage, which is insured, the *Premia*, having been fixed and paid, are not at all affected by the Capture. — And after any Fleet of *French* Ships have been here insured, the Success of our Naval Force in *destroying* that Fleet, will be our National Loss, to the Amount of the whole Value, excepting the Premium; and our *Capture* of that Fleet, though accomplished with great Expence, will be entirely insignificant to us, upon the Balance of the Account of our Insurers.

It

It seems very extraordinary, that any *private Subjects*, in a Time of War, should assume to themselves the *Prerogative* of *limiting* the Force of the *State*, and actually enter into an Agreement with its Enemies, to *secure* them from all Damage beyond these *Limits*; or, which is equivalent, to *indemnify* them, upon the Payment of a fixed Sum, from all Damages. — But it may be answered perhaps, that however strongly I may turn and point this Objection in Words, yet these Insurances are founded upon wise commercial Maxims, and avail upon the Whole, to the Advantage of the State. — If this be so, and the Practice be justifiable, I must beg Leave to draw some natural Consequences from it, which perhaps have not been observed.

If it be *right* then for us to insure *any* of the *French* Ships in Time of War, it is *more right* to insure them *all*. — Imagine now the Amount of the *British* and *French* Stocks annually invested in Trade and Navigation, and the Premium upon each, as settled by the Insurers, to bear one to the other, any given Proportion: Thus, as the real Case is, suppose the *French* Stock to be *two Millions Sterling*, and the Rate of Insurance upon it, to be settled at *20 per Cent.* upon a Medium, and that the *British* Stock is *four Millions Sterling*, and the Rate of Insurance upon this to be *15 per Cent.* at a Medium — Then since *20 per Cent.* upon *two Millions* amounts to *400,000 l.* this will be the Estimate of the annual Loss upon

upon the *French* Stock, or the Amount of the annual Demand of the *British* Cruizers, together with the Hazards of the Sea, upon the *French* Commerce. — After the same Method 15 per Cent. upon four Millions, or 600,000 *l.* will be the annual Loss upon the *British* Stock, or the Amount of the Annual Demand of the *French* Cruizers, together with the Hazards of the Sea, upon the *British* Commerce. — Let now the whole Stock of each Nation be insured at these Rates by the *British* Insurers; upon which consequently a Cessation of all Captures, or what is equivalent, an Indemnity from them, is settled by these Insurers; and Great Britain upon the Result of the reciprocal Demands between the two Nations, as fixed by these Gentlemen, is awarded to pay annually to France the Sum of Two Hundred Thousand Pounds as the Balance of the Account. — Thus you have, from these Principles and Practices of our Insurers, a *Neutrality* by Sea effectually signed, and the *Naval Superiority* of Britain absolutely relinquished, upon these scandalous and unequal Terms, to her inveterate Rival and Enemy.

If this *Neutrality* at Sea be not totally and entirely accomplished, it is no Fault of our Insurers, who do all in their Power to compleat it, and have brought it to be very little short of Perfection. — But these Gentlemen may perhaps offer to surmise, that, even supposing the whole British and French Commercial
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Stocks to be insured, according to the foregoing Rate, it does not follow that the annual Balance of Two Hundred Thousand Pounds is paid to the French. — To which I answer, that if our Insurers take more from the British Merchants, than the just Amount of their Losses, it is very unkind Treatment. To extend all possible Lenity to the French Trade, and to load our own with exaggerated Premia, so as upon the Balance settled by these Gentlemen of the Naval Losses on both Sides, to give the French Commerce a great and unfair Advantage, is a Conduct not to be boasted; nor, I presume, any Part of that National Benefit, which they alledge to be derived to us, from this Practice. — And I would now beg Leave to ask any Advocate for these Insurances, whether he thinks this Adjustment of the Naval Powers of both States, and a Cessation of Damages at Sea, or an Indemnity from them upon the Terms of an annual Burthen of Two Hundred Thousand Pounds upon our Trade, more than upon the French Trade, be for the Honor, and Advantage of Britain? Or whether any private Subjects can justify themselves in making such an Adjustment?

But if it shall be said, that as we have more Ships, our Trade is more liable to be captured than the French, it is to be remembered also, that we have more naval Force, to protect ourselves, and to annoy our Enemies; — And this Argument, if admitted, would prove, that,

that, the *greater* our Maritime *Superiority*, the *more subject* we are to the *Power* of our *Adversaries*; which is a manifest *Absurdity*.

It is evident, that under this Practice, the just and accustomed *Seat* of *Power* and *Authority* in the State is entirely subverted; and the *Board of Admiralty* of *Britain*, are rendered in Effect, a Set of *Under-actors* to the *Board of Insurers*; and only make *Fluctuations* in the *Rate of Insurance*, which the *last* manage. — In Spight of all the Efforts of the former, the *Board of Insurers*, will *indemnify* from *all Damage*, at a Price fixed, any private Vessel, or Fleet, they please, of our *Enemies*; and all, which our *Admiralty* can do, is only, occasionally, to *disturb* the *Premium*; which may be either a *Benefit*, or *Disadvantage* to our *Insurers*, as it shall happen. Nay even, in Regard to these *occasional Fluctuations* of the *Premium*, I don't doubt, but our *Insurers* can also *ascertain* their Amount; and many of them would now *fix* a Price, at which they would grant an *Indemnity* to our *Enemies*, for any Voyage proposed, during the whole Course of this War, against *all the future Efforts* of our *Admiralty*. — This is certainly to *subvert* the *Order* and *Direction* of the *State*, and to turn the most important Business of it, the *Intelligence* which shall be obtained, the *Plans* which shall be formed, and the *Execution* which shall be effected, into *Farce* and *Ridicule*; And is founded upon this Principle, that a *Set of Individuals* in a State

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may act *independently*, and even in full Opposition to the *public delegated Authority* and *Direction* of that State, provided it shall redound to their own *private Emolument*.

Imagine that the *Farmers General* of France should enter into Bargains with the *Dutch*, and undertake to *insure* their Towns against all the Efforts of the *French Armies*; and should send continual *Intelligence* to *Holland* of the Destination and Force of all the detached *French Parties*, how would the Authors of such a Conduct be rewarded in *France* upon their *Detection*? Would it be allowed them in *Excuse*, that there was no *actual Law* to prohibit the Practice? Or that if they did not, the *English*, or the *Dutch* themselves, would insure these Towns? Would they not be made to know, that all *Communication* and *Commerce* with the *Enemies* of the State was *prohibited*, much more to *restrain* and *limit* the *Efforts* of their Country against these *Enemies*? — It would be taught them, that the *Superiority* of a *State*, if duly exerted and continued, included absolute *Victory*, and was not to be settled, by *Brokers*, as the *Balance* of a *Mercantile Account*.

But it will perhaps be asked, — *Whence all this Clamor against our Insurers?* — Do they receive less from the *French* for insuring their Ships, than the Amount of their Losses, upon a just Computation? Nay, do they not actually receive more than this Amount, by their Profit in the Premium? This is all very true; but

but I beg Leave to ask some Questions in Return. — Do not our Insurers *ascertain* beforehand the *Amount* of the *French Losses*? Do they not permit the *whole Body* of the *French Merchants* to *contribute* to this Amount, each proportionably to his respective Quota in Trade? Do they not *secure* each Merchant from *further Loss*, upon his paying his fixed Contribution? And is not this actually to *restrain* the Weight of these Losses from crushing *particular Merchants*, and to rescue the *whole Body* of them from the *impending Terror*? — And is this no Alleviation of their Evil? Is it not the constant Salvation of *many Particulars*, and the sole *Foundation* of CREDIT to the *Whole*? And ought there not to be a Clamor against this Practice?

It may be said again, *Suppose the Premium paid here upon French Ships to be $33\frac{1}{3}$ per Cent, or $\frac{1}{3}$ of their Value, then our Insurers are so far from saving the French, that they do in Reality capture one of their Ships out of every three, which is more than have been actually taken by our Cruizers*: To which I answer, without objecting to this high Rate of the Premium, that all this is true, and yet that Insurances are the absolute Support of the *French Commerce*. For it is evident, according to this Instance, that without Insurances *one French Merchant* out of every *three*, would be *successively ruined*; and the *two* who are to escape would be *overwhelmed* with *Terror*, and *destitute* of all *Credit*, un-

till the Event of the Voyage be known. Whereas by the Aid of Insurance, by *ascertaining* and *limiting* the Amount of the *Loss*, and by permitting *each* of these Merchants to pay their *Contribution* towards it, which the Profits of their Trade will bear, they are *all three* preserved, have a *solid Foundation* of *Credit*, and are enabled steadily to pursue their Commerce.

The *French* seem to have gained an entire *Ascendancy* over our *Insurers*; and may variously direct it, with great Advantage, to their Security. — Thus imagine, that out of a large Fleet of their Ships, they insure only *twenty*, or *thirty*, and all these in *England*; if a Squadron of our Men of War should come into View of this Fleet, what is more easy, than to *drop* the *insured Ships* successively in their Way, and thus to procure to the *rest* Leisure to *escape*; — in which Case, we shall have no great Reason to boast of our Captures.

If, again, as the *French* are admitted to estimate their Ships at what Value they please, they insure their *outward-bound* Ships laden with *Stores* and *Provisions* at the real Value of such Provisions, and no more, in *France*. This however will probably be almost *double* of their *Value* in *England*; and if, afterwards, these Ships are taken by *British* Cruizers, our Insurers must pay to the *French*, *twice* as much, as our Captors gain: — This is the Case of almost all the *French outward-bound* Vessels to the *West-Indies*. — At the same
Time

Time, I am not insensible, that the Damage which the *French* Plantations sustain by our Capture of these Ships is of the highest Importance. — But still this Damage would be equally considerable, if their Ships were not to be insured in *England*; And we should not be forced, as we are at present, upon the Capture of these Ships, to pay an exorbitant Price to the *French* for *Provisions*, which we do not want; and thus to partake, as we now do, without any Necessity, of *their* Evil.

If the *French* chuse to employ their Squadrons in *convoying* their own Trade, the *British* Insurers, so great is their Complaisance, will readily *diminish* the Rate of the Premium; — if the *French* chuse *not* to *convoy* their own Trade, the *British* Insurers will undertake to convoy it, and upon an Advance of the Premium will be responsible for its Security. — It is thus that the *French* with *three Men of War* shall engage in provincial Attacks of as great Importance, as we shall with *ten*: — It was thus they were enabled to make their Attempt upon *Nova Scotia*, which, only by the Intervention of very improbable Accidents, failed to be of the utmost Mischief to this Nation. — By the same Means they have seized the most important of the *British* Settlements in the *East-Indies*, which has been evidently an immense Loss to this Kingdom; And it *now* demands a considerable Part of our National Strength, and a large Expence of Men, of Ships, and of public Treasure to re-instate

inflate our Affairs in those Countries; for which the *French* ought to raise Statues to our Insurers, who have procured them Leisure for these Attempts.

If a *Prohibition* of insuring the *French* in *England* had fallen upon them at once, upon the opening of the *War*, it would in all Probability have proved an irreparable Blow to their Commerce. But it was then over-ruled; — the *French* are now endeavouring to rid their Feet from our Net, and to raise Insurers in other Places: But this will require Time, and it will cost them an additional Price to tempt new Adventurers into the Business. — They are therefore still much in our Power, if they are suddenly excluded from this Benefit, in *England*. -- And of what immense Importance it is, to bring any additional Distress upon the *French* Commerce will be conceived, — when it is duly considered, that this appears to be the Point, in which they are not able to withstand us; that it is to push our Superiority, not defend our Inferiority; and that the Ruin of their Trade will immediately enfeeble their Force by Land; by destroying the great Circulation and Vent, and consequently the chief Value of all their Manufactures and Products; upon which their Taxes are collected, and the great Sinews of their Strength must necessarily depend.

F I N I S.